

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

L

W-01961A
LUCKY HILLS WATER COMPANY
P. O. BOX 309
TOMBSTONE AZ 85638-

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001
----	----	------

FOR COMMISSION USE

ANN04	01
-------	----

Processed by:

4-29-02 cm

SCANNED

COMPANY INFORMATION

Company Name (Business Name) Lucky Hills Water Company

Mailing Address P.O. Box 309
(Street)

Tombstone AZ 85638
(City) (State) (Zip)

(520) 457-3350 (520) 457-3350
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address A

Local Office Mailing Address P.O. Box 309
(Street)

Tombstone AZ 85638
(City) (State) (Zip)

(520) 457-3350 (520) 457-3350
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: MERLE M. COWAN MANAGER
(Name) (Title)

PO Box 309 Tombstone AZ 85638
(Street) (City) (State) (Zip)

(520) 457-3350 (520) 457-3350
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: Robert E. Cowan
(Name)

PO Box 309 Tombstone AZ 85638
(Street) (City) (State) (Zip)

(520) 457-3350 (520) 457-3350
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

Statutory Agent: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☒ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

Lucky Hills Water Co.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	2,304.	51,051.	2,189.

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

Lucky Hills Water Co.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	2304.	.05	115.

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME

Lucky Hills Water Co.

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 704.41	\$ 1045.34
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	252.36	264.47
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 956.77	\$ 1309.81
	FIXED ASSETS		
101	Utility Plant in Service	\$ 53240.00	\$ 53240.00
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	<50936.00>	<51051.00>
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 2304.00	\$ 2189.00
	TOTAL ASSETS	\$ 3260.77	\$ 3498.81

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	35.00	35.00
236	Accrued Taxes	83.76	92.30
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 118.76	\$ 127.30
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 0	\$ 0
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 118.76	\$ 127.30
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 33500.00	\$ 33500.00
211	Paid in Capital in Excess of Par Value	54484.00	54484.00
215	Retained Earnings	<84841.99>	<84612.49>
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 3142.01	\$ 3371.51
	TOTAL LIABILITIES AND CAPITAL	\$ 3260.77	\$ 3498.81

COMPANY NAME

Lucky Hills Water Co.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 1522.63	\$ 1607.03
460	Unmetered Water Revenue		
474	Other Water Revenues	40.00	
	TOTAL REVENUES	\$ 1562.63	\$ 1607.03
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	402.11	270.59
618	Chemicals		
620	Repairs and Maintenance	1102.24	0
621	Office Supplies and Expense	120.04	130.00
630	Outside Services	120.00	422.42
635	Water Testing	328.00	300.00
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense		
403	Depreciation Expense	122.00	115.00
408	Taxes Other Than Income		
408.11	Property Taxes	110.44	125.55
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 2304.83	\$ 1363.56
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		13.97
427	Interest Expense		
	TOTAL OTHER INCOME/EXP	\$	\$ <13.97>
	NET INCOME/(LOSS)	\$ <742.20>	\$ 229.50

COMPANY NAME

Lucky Hills Water Co.

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

NONE

Meter Deposit Balance at Test Year End

\$ _____

Meter Deposits Refunded During the Test Year

\$ _____

COMPANY NAME	<i>Lucky Hills Water Co.</i>
---------------------	------------------------------

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
	<i>1 1/2</i>	<i>4-5</i>	<i>6</i>	

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = _____

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
<i>10,000 gallons</i>	<i>1</i>	<i>1000</i>	<i>1</i>

STATISTICAL INFORMATION

Total number of customers	<u>4</u>
Total number of gallons sold	<u>279,760.</u> gallons

COMPANY NAME

Lucky Hills Water Co.

YEAR ENDING 12/31/2001

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported

Estimated or Actual Federal Tax Liability

State Taxable Income Reported

Estimated or Actual State Tax Liability

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances

Amount of Gross-Up Tax Collected

Total Grossed-Up Contributions/Advances

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Merle M. Cowan
SIGNATURE4-24-02
DATEMERLE M. COWAN
PRINTED NAMEManager
TITLE

COMPANY NAME Lucky Hills Water Co. YEAR ENDING 12/31/2001

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$ 125.55

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Cochise</u>
NAME (OWNER OR OFFICIAL) TITLE <u>MERLE M. COWAN MANAGER</u>
COMPANY NAME <u>Lucky Hills Water Co.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA COPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 1702.93

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 95.90

IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

24th

DAY OF

(SEAL)

MY COMMISSION EXPIRES May 18th, 2003

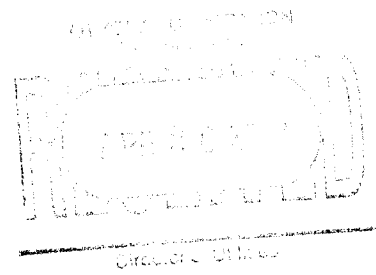
Merle M Cowan
SIGNATURE OF OWNER OR OFFICIAL
520-457-3350
TELEPHONE NUMBER

COUNTY NAME <u>Cochise</u>	
MONTH <u>April</u>	<u>2002</u>

John M. Bright
SIGNATURE OF NOTARY PUBLIC

OFFICIAL SEAL
NOTARY PUBLIC
COUNTY OF COCHISE
STATE OF ARIZONA
JULY 6, 2003

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>Cochise</u>	
NAME (OWNER OR OFFICIAL) <u>Merle M. Cowan</u>	TITLE <u>Manager</u>
COMPANY NAME <u>Lucky Hills Water Co.</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2001</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>1,702.93</u>

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 95.90
IN SALES TAXES BILLED, OR COLLECTED

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

X Merle M. Cowan
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

24th

DAY OF

(SEAL)

**MY COMMISSION EXPIRES
5-18-2003**

NOTARY PUBLIC NAME <u>Patti M. Bright</u>	
COUNTY NAME <u>Cochise</u>	
MONTH <u>April</u>	<u>2002</u>

X Patti M. Bright
SIGNATURE OF NOTARY PUBLIC

LUCKY HILLS WATER COMPANY, INC. 09/00

P.O. BOX 309 520-457-3350
TOMBSTONE, AZ 85638

61-948-80-100-1 1025

DATE 10-31-01

PAY
TO THE
ORDER OF

Marsha Benham, Cochise Co. Treasurer

\$ 65.11

Sixty Five dollars + 11/100

DOLLARS

Bank of America.

AGH INT 122101706

FOR 107965 / IO# 948-80-100 1

Pat in Bright

⑈001025⑈ ⑆122101706⑆ 004671545097⑈

⑈0000006511⑈

LUCKY HILLS WATER COMPANY, INC. 09/00

P.O. BOX 309 520-457-3350
TOMBSTONE, AZ 85638

00-948-80-100-1 1019

DATE 5-10-01

PAY
TO THE
ORDER OF

Marsha Benham, Cochise County Treasurer

\$ 61.24

Sixty One dollars + 24/100

DOLLARS

Bank of America.

AGH INT 122101706

FOR Tax Roll 107965 60.44 + .80 late fee (.0133)

Robert E. Coover

⑈001019⑈ ⑆122101706⑆ 004671545097⑈

⑈0000006124⑈

DEPOSIT OF
TREASURY
COCHISE

9028 07475

44-38861-100
 44-38861-99
 44-38861-98
 44-38861-97
 44-38861-96
 44-38861-95
 44-38861-94
 44-38861-93
 44-38861-92
 44-38861-91
 44-38861-90
 44-38861-89
 44-38861-88
 44-38861-87
 44-38861-86
 44-38861-85
 44-38861-84
 44-38861-83
 44-38861-82
 44-38861-81
 44-38861-80
 44-38861-79
 44-38861-78
 44-38861-77
 44-38861-76
 44-38861-75
 44-38861-74
 44-38861-73
 44-38861-72
 44-38861-71
 44-38861-70
 44-38861-69
 44-38861-68
 44-38861-67
 44-38861-66
 44-38861-65
 44-38861-64
 44-38861-63
 44-38861-62
 44-38861-61
 44-38861-60
 44-38861-59
 44-38861-58
 44-38861-57
 44-38861-56
 44-38861-55
 44-38861-54
 44-38861-53
 44-38861-52
 44-38861-51
 44-38861-50
 44-38861-49
 44-38861-48
 44-38861-47
 44-38861-46
 44-38861-45
 44-38861-44
 44-38861-43
 44-38861-42
 44-38861-41
 44-38861-40
 44-38861-39
 44-38861-38
 44-38861-37
 44-38861-36
 44-38861-35
 44-38861-34
 44-38861-33
 44-38861-32
 44-38861-31
 44-38861-30
 44-38861-29
 44-38861-28
 44-38861-27
 44-38861-26
 44-38861-25
 44-38861-24
 44-38861-23
 44-38861-22
 44-38861-21
 44-38861-20
 44-38861-19
 44-38861-18
 44-38861-17
 44-38861-16
 44-38861-15
 44-38861-14
 44-38861-13
 44-38861-12
 44-38861-11
 44-38861-10
 44-38861-9
 44-38861-8
 44-38861-7
 44-38861-6
 44-38861-5
 44-38861-4
 44-38861-3
 44-38861-2
 44-38861-1
 44-38861-0

五二

THE SECURITY OF YOUR FUTURE IS NOT BASED EXCLUSIVELY ON YOUR SECURITY FUND INVESTMENT IN SCHLIMMER'S NEWLY STRUCTURED "NEWLY STRUCTURED" FUND. IT'S ALSO BASED ON THE SECURITY OF THE BANK OF AMERICA'S NO. 12210 BANK OF PHOENIX.

NO. 19

122100024 11/20/01 E2401 01 P01
BANK ONE, NA
PHOENIX, ARIZONA

3:50114135

437143309

DO NOT WRITE IN THESE SPACES

U.S. BANK ON

0
7
C
C
N
P

P122-00024
 EAM 101 E
 ARIE 101 N
 FI 122
 P122-00024
 P122-00024

[illegible]

MY 14

122100024 05/15/01 E2376 01 P01

05/15/01 E2376 01 P01
3150412505

7 8 1 1914 12

[illegible]

FEDERAL BUREAU OF INVESTIGATION

* CREDIT: I HAVE NO INFO OF GOVERNMENT HELD CO